GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:576
ANSWERED ON:26.07.2000
SUBSCRIBERS OF ESI
HARIBHAU MAHALE

Will the Minister of LABOUR be pleased to state:

(a) whether the subscribers of ESI are denied the benefits of insurance in case of lock out/closure of industry;

(b) if so, the reasons therefore; and

(c) whether the Government propose to prepare an action plan in co-ordination with ESI for those industries which have stopped payment of outstanding amount/dues to their employees who are the subscribers to the ESI?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI MUNI LALL)

(a) to (c) : The ESI Scheme is a contributory scheme based on the concept of `pooling of risks and resources`.As such for availing ESI benefits certain qualifying contributory conditions have been prescribed in the ESI Act, rules and regulations framed thereunder. The workers of closed factories/establishments or those under lock out are eligible for medical benefit for one benefit period even if contribution in respect of them is not paid and the return of contribution is not submitted. In the cases of insured workers of the closed factories/establishments in whose respect contributions are not paid or returns of contributions are not received for the relevant period, benefits under the ESI Scheme are not admissible. However, if employers of the closed/locked out factories certify that the contributions in respect of their workers have been deducted from the wages payable to them, such workers remain eligible for medical care as well as other benefits.